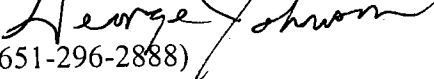


August 18, 2004

TO: Robert A. Schroeder, Chair  
EQB (Tel: 651-296-3391)

FROM: George Johnson   
EQB Staff, (Tel: 651-296-2888)

RE: EQB Staff Recommendation on Acceptance of Route Permit Application  
by Xcel Energy for the Proposed Mankato Energy Center - Wilmarth  
345/115/115 kV Transmission Line (EQB Docket #04-86-TR-XCEL)

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On August 10, 2004, Xcel Energy (Xcel) submitted to the EQB, a route permit application for a proposed triple 345/115/115 kV HVTL to construct and operate approximately 1000 feet of transmission line in Blue Earth County, Minnesota to provide connection between the existing Wilmarth substation and the proposed Calpine Mankato Energy Center natural gas-fired Large Electric Power Generating Plant (LEPGP). The route permit would authorize Xcel to construct a double circuit 115 kV transmission line, a 345 kV line, substation modifications and associated facilities.

**Staff Recommendation:** The EQB staff has reviewed the application for compliance with the application requirements of Minnesota Rules, parts 4400.1500 Subp.2. [Contents of Application for Route Permit]. EQB staff review of the application concludes that Xcel's route permit application complies with the information requirements in the rules.

The EQB staff finds the application to be substantially complete and recommends that the Chair accept the Xcel's application at this time.

Under the rules, the Chair shall designate EQB staff as the project manager and as the public advisor. The public advisor shall be available to answer questions from the public about the permitting process.

The EQB staff recommends that the Chair designate George Johnson as the EQB project manager and Larry Hartman as the public advisor for this docket.

Under the rules, the Chair has the authority to appoint a citizen advisory task force. EQB staff does not believe a CATF is warranted for this project.

**Action Requested:** The next step is for the Chair to accept or reject the application. The date of the Chair's determination that an application is complete marks the start of the schedule for the Board to make a final decision on the application.

Acceptance of the application allows staff to initiate the review requirements of the transmission line permitting process in the rules (Minnesota Rules Chapter 4400).

Attached is a letter for your signature informing Xcel that their application was accepted by the Chair on August 19, 2004.